



USA Commercial Mortgage Company
4484 S. Pecos Road
Las Vegas, NV 89121
(702) 734-2400
NV MBL #333

SUBORDINATED TRUST DEED INVESTMENT

BORROWER Charlevoix Homes, L.L.C.

Background Charlevoix Homes have completed or in the process of completing 12 high quality, yet affordable custom residential projects in the Greater Phoenix area. The company closed 180 homes in 2005, and they expect to close over 250 homes in 2006. Charlevoix Homes are designed to incorporate the style and design of Arizona's finest custom developments for a wide variety of homeowners from first-time buyers, to homeowners wishing to downsize without sacrificing elegance. Founder Mike Roberts co-created the Aspen Creek Meadows luxury home community as part of Desert Troon Properties in Prescott, Arizona.

Equity The borrower will bring \$2.1 million in cash at the close of escrow.

Guarantees Mike Roberts, the founder of the borrower, with an indicated net worth of approximately \$15 million as of December 31, 2005.

LOAN AMOUNT \$3.4 million

INTEREST RATE: 15.0% (net). Interest is paid monthly for the term of the loan. An interest reserve for the term of the loan is included in the loan amount and will be placed in a reserve account held by a third-party project disbursement company and controlled by USA Capital.

**COMBINED
LOAN-TO-VALUE** Approximately 92% based on bulk value finished lots by an appraisal by Grumley Valuation & Consulting of Phoenix, Arizona dated February 17, 2006. Approximately 85% based on proforma homes sales prices for the phase one.

TERM 12 months, with two optional extensions of six months each, provided the loan is performing and no default has occurred, and subject to approval of USA Capital.

COLLATERAL Subordinated trust deed on 33.42 acres of land acquired for the development of 92 single-family homes at Lindsay and Chandler Heights Roads in Chandler, Arizona, about 20 miles south of Phoenix.

PROJECT Montage by Charlevoix consists of 92 single-family homes ranging from 3,000 to 5,000 square feet. Each of the homes will feature four bedrooms, two baths, and top-of-the-line amenities. The sale prices for these units are projected to be between \$450,000 and \$1,000,000. The land is fully entitled with building permits. Charlevoix Homes will begin development of the lots when they take title to the land. The 33-acre development will be surrounded by a nature reserve, with many of the homes backing up directly to the reserve and with park trails.



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| USE OF PROCEEDS | Our mezzanine loan will be used to create equity to enable an acquisition and development loan from M&I Bank in Phoenix, the senior lender that provided the first trust deed commitment. |
| MARKET AREA | Until the late 1990s, this area was primarily devoted to farming and farming-related activities. As suburban residential development gained momentum in the greater Phoenix area, the area began to transform into clusters of low-density neighborhoods. Development accelerated with the emergence of several master-planned communities and commercial projects to support the residential growth. Current development trends are expected to continue for the near- and long-term, with much of the remaining vacant land expected to be more intensely developed. The area offers good access to commercial, retail, medical, educational and recreational projects and facilities located within the southeastern Phoenix-Mesa metropolitan area. The area to the immediate south and east of the subject property is reserved for park land. |
| MINIMUM INVESTMENT | \$25,000 |
| EXIT STRATEGY | Our loan will be repaid by construction and sale of homes. |
| FUNDING DATE | Funds need to be in USA Capital offices no later than March 31, 2006 . |
| DATE | March 21, 2006 |
| CONTACT | USA Capital (702) 734-2400 info@usacapitalcorp.com |
| DISCLOSURES | Money invested through a mortgage broker is not guaranteed to earn any interest or return and is not insured. Before investing, investors must be provided applicable disclosure documents. Past performance is not necessarily indicative of future results. All real estate markets can be negatively impacted by interest rates, availability of capital, supply and demand factors, and general economic conditions locally, regionally and nationally. Any investor should review this loan summary proposal with these risks in mind and base an investment decision on existing market conditions and potential changes in the economy, as well as his or her own personal investment objectives and risk tolerance. |